

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2436 - SB 2631

March 2, 2022

SUMMARY OF BILL: Removes the requirement that a student be enrolled in an eligible postsecondary institution in the fall term following completion of high school to be eligible for Tennessee Promise scholarship program.

FISCAL IMPACT:

Increase State Expenditures - \$1,212,900/FY22-23/

Tennessee Promise Scholarship Reserve Account

Exceeds \$1,212,900/FY23-24 and Subsequent Years/

Tennessee Promise Scholarship Reserve Account

Assumptions:

- Currently students who take time off from school between high school and college (known as a “gap year”) are not eligible for Tennessee Promise.
- Based on information provided by TSAC:
 - 1,173 new students will eligible to receive the Promise Scholarship in FY22-23.
 - The average TN Promise annual award is \$1,034.
- The increase in state expenditure from the Tennessee Promise Reserve Account is \$1,212,882 (1,173 students x \$1,034 award) in FY22-23.
- The extended time period for eligibility may result in more students taking advantage of the new eligibility criteria in future years, increasing the number of overall award recipients.
- The increase in state expenditures from the Tennessee Promise Reserve Account is estimated to exceed \$1,212,882 in FY23-24 and subsequent years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner".

Krista Lee Carsner, Executive Director

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